REMARKS

The application contains claims 1, 3, 5, 9, 10, 12-16, 19, 20, and 24-35. By this amendment, claims 1, 3, 5, 9, 10, 12-14, 16, 19 and 20 have been amended. No new matter has been added. In view of the foregoing amendments and following remarks, Applicants respectfully request allowance of the application.

Interview

Applicants thank Examiner Robinson Boyce for the courtesies extended to Applicants' representative Wesley Jones during the telephone interview of July 25, 2007. A summary of the substance of the interview is set forth below.

During the interview, Applicants' representative asserted that the applied §102 reference did not anticipate independent claims 1, 16 and 20. Applicants' representative pointed out several features of the present invention that are not taught or suggested by the applied §102 reference and indicated that the claims would be amended to more clearly bring out these features. No agreement as to patentability was reached.

Prior Art Rejections

Claims 1, 3, 5, 15, 16 and 20 stand rejected under 35 U.S.C. § 102(e) as being anticipated by *Eddy et al.* (U.S. Pat. No. 5,812,400). Applicants respectfully request withdrawal of these rejections because the cited art fails to teach or suggest, either alone or in combination, all elements of independent claims 1, 16 and 20.

An aspect of the present invention ensures that a device securely storing funds (e.g., a postal security device) is authorized to use the stored funds by verifying the present location of the device. In particular, location information provided by a local device is received by a remote device and compared to previously stored location information for the local device. If the present location of the local device is within a predetermined or preauthorized zone of operation, then the remote device can authorize the local device to use the locally stored funds. Alternatively, if the present location of the local device is outside of the predetermined or preauthorized zone of operation, then the remote device can inhibit the local device from using the locally stored funds. The location information can be transferred to the remote device

automatically upon power-up of the local device and without any required user interaction or initiation. Additionally, the location information can be based on an output provided by a global position system. The remote device can prevent the local device from using the stored funds until a new license for the local device is obtained that allows the local device to use the funds at the present location of the local device. In this way, a postal security device can be verified as operating in a properly licensed location and, if not, a new operating license for the new location can be automatically acquired.

Representative claim 1 recites:

A method for authorizing use of funds securely stored in a device, comprising:

upon power-up of the device, transmitting from the device to a remote device present location information of the device, wherein the present location information of the device is transmitted automatically by the device without any user interaction:

determining, at the remote device, a present location of the device based on the present location information;

comparing, at the remote device, the present location of the device with previously stored location information of the device:

determining, at the remote device, whether the present location of the device is within a predetermined region specified by the previously stored location information; and

when the present location of the device is within the predetermined region, transmitting to the device from the remote device an authorization to use the funds, and

when the present location of the device is not within the predetermined region, transmitting to the device from the remote device a signal inhibiting use of the funds.

Eddy et al. fails to teach or suggest at least the above highlighted features of claim 1. In particular, Eddy et al. requires a user to initiate communications between a metering device and a remote data center and places substantial burdens on the user to interact with metering device (See, e.g., Abstract: "The user establishes communications between the user and a remote data center. The user communicates to the data center identifying data associated with the user ordering the value metering device. The user communicates to the data center user account identifying data."). Therefore, Eddy et al. fails to teach or suggest "upon power-up of the device, transmitting from the device to a remote device present location information of the device,

wherein the present location information of the device is transmitted automatically by the device without any user interaction" as recited in claim 1.

Additionally, *Eddy et al.* fails to teach or suggest comparing, **at a remote device**, location information provided by a local device with location information stored at the remote device as recited in claim 1. Specifically, *Eddy et al.* is limited to the comparison of location information stored in two different components of the local metering device. Column 11, lines 25-29 of *Eddy et al.* states that "a comparison is made between the originating location information stored in the flash memory 24 or smart card chip 18 internal memory and the originating location information stored in the external smart card 10." As illustrated in Figure 1, flash memory 24, smart card chip 18 and external smart card 10 are all local to the metering device. As such, *Eddy et al.* fails to teach or suggest the comparison of location information provided by a local device with location information stored at a remote device, and the comparison being performed at the remote device.

For at least the foregoing reasons, claim 1 is allowable over *Eddy et al*. Applicants therefore respectfully requests that this rejection be reconsidered and withdrawn.

Claims 3, 5, 9, 10, 12-15, and 24-27 depend from independent claim 1 and are allowable for at least the reasons applicable to claim 1, as well as due to the features recited therein.

Independent claims 16 and 20 recite features similar to those recited in claim 1 and are therefore allowable over the cited art for at least those reasons applicable to claim 1. Further, claims 19 and 28-35 are allowable for at least those reasons stated above and based on their respective dependencies on independent claims 16 and 20.

Appl. No. 09/829,171 Atty. Dkt. No. 13668/960002

CONCLUSION

Applicants respectfully request entry of the above amendments and favorable action in connection with this application. The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. 1.16 or 1.17 to Kenyon & Kenyon Deposit Account No. 11-0600. The Examiner is invited to contact the undersigned at (202) 220-4419 to discuss any matter concerning this application.

All claims are allowable. Allowance is solicited.

Respectfully submitted,

Dated: August 10, 2007 /Wesley W. Jones/

Wesley W. Jones Reg. No. 56,552 1500 K Street, N.W., Suite 700 Washington, D.C. 20005-1257 (202) 220-4419

671180_1.doc